Rs 6.9 crires have been deposited in the Public Deposit account. The AEPC has been advised to transfer the balance amount also to the Public Deposit Account as soon as possible.

(d) to (e) These amounts were collected by AEPC on behalf of the Government under the Export Entitlement Distribution Policy notified by the Government from time to time under the powers vested in the Central Government by virtue of Section 3(2) of Export (Control) Order issued under Section 3 of Imports and Exports (Control) act, 1947. The Delhi High Court had ruled that collection of premium under OTS was without any legal backing. However, the Government has filed an S.L.P. in the Supreme Court against this judgement.

Complaints against the Chief of the Cash Compensatory Cell

3400. SHRIMATI RATAN KUMARI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have received any complaints against the Chief of Cash Compensatory Support Cell and also against the Additional Secretary in charge of CCS;

(b) if so what is the nature of these complaints and when these complaints were received;

(c) whether it is a fact that a number of instances of irregularities in CCS have come to the notice of his Ministry;

(d) if so. what are the details thereof and the action taken thereon;

(e) what are the details of examination carried out by the Commerce Ministry before allowing Cash Compensatory Support;

(f) whether the Ministry have issued any guidelines in this regard; and

(g) if so what are the details thereof ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) and (b) A pseudonymous complaints containing certain allegations about the functioning of the Cash Compensatory Support Cell and citing an instance of CCS. The complaint was however, examined and found to be baseless.

(c) No instance of irregularities in fixation or formulation of policy relating to CCS have come to notice.

(d) Does not arise.

(e) Proposal for grant of Cash Compensatory Support (CCS) are recieved in the Ministry from Export Promotion agencies and scrutinised in the Commodity Divisions and CCS Cell of the Ministry. Proposals for grant of CCS to new products are considered by the Marketing Development Assistance Main Committee under the Chairmanship of Secretary (Commerce) with Secretary (Finance) and Secretary (Expenditure) as Members. Proposals involving review of existing items are considered by the Cash Assistance Review Committee which is also an inter-Ministerial Committee under the Chairmanship of Additional Secretary Ministry of Commerce with representatives of Finance and DGTD.

(f) and (g) Board guidelines for determining the grant of CCS are :

(i) to compensate for unrebated indirect taxes like sales tax octroi etc. which are not refundable through Duty Drawback mechanism;

(ii) Compensate for certain disadvantages inherent in our economy and discriminatory freight rates;

(iii) Compensation for product and market development on a selective basis;

(iv) Special consideration for Agricultural and agro-based products keeping in view perishable nature of the commodities;

(v) Special consideration for labour intensiveness of handicraft and handloom products;

(vi) The rate of CCS is restricted to 25% of net foreign exchange earned.

Decline in the Export of Drugs

3401. CHOWDHARY RAM SEWAK : Will the Minister of COMMERCE be pleased to state :

(a) what are the names of major drugs exports of which are showing a declining

trend as compared to the exports during the last year;

(b) what was the export of each during 1988-89 and 1989-90;

(c) what are the reasons for decline and what steps have been taken to improve the situation; and

(d) by when the remedial action would be put into effect ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) to (d) Exports of drugs and pharmaceuticals as a whole have increased from Rs. 400 crores in 1988-89 to Rs. 665 crores during 1989-90. However, the export of following drugs have shown decline because of high cost of imported inputs, lack of assured supplies of some Indian inputs and stiff international competition :

(Rs. in Lakhs)

Sl. No.	Name of the Drug	Exports 1988-89	Exports 1989-90
1	Potassium Iodide	887	876
2	Sodium Iodide	146	113
3	Paracetamol	226	131
4	Tolbutamide	160	77
5	Norfloxacin	64	37
6	Oxyphenbutazone	70	58
7	Metranidazole Benzoate	163	156
8	Membendazole	212	152
9	Methylopa	336	174
10	Amoxycillin Trihydrate	792	735
11	Cloxacillin Sodium	313	146
12	Doxycycline Hydrochloride	213	121

(*Source* : Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council, Bombay).

The Basic Chemical, Pharmaceuticals and Cosmetics Export Promotion Council is mounting due measures to identify overseas markets and products so as to maintain high overall levels of export growth in the sector. Incentives including the facility of duty free import of raw materials under the Duty Exemption Entitlement Scheme (DEEC), Duty Drawback, Replenishment Licence, Packing Credit Facility, Exemption under Section 80 HHC of income tax act in respect of export profits and Cash Compensatory Support wherever applicable are available to the exporters of drugs also. These incentives are intended to enhance the export competitiveness.

Payments of Cash Compensatory support on Export of Drugs

3402. CHOWDHARY RAM SEWAK : Will the Minister of COMMERCE be pleased to state :

(a) what are the names of 15 drugs which accounted for maximum CCS during the last three years, year-wise;

(b) what was the quantity of each exported and what was the fob value of exports and what was the CCS paid on each drug;

(c) whether it is a fact that CCS was paid on fob value;

(d) if so, in how many cases;

(e) whether any instances of irregularities came to the notice of his Ministry; and

(f) if so, what are the details thereof ?

THE MINISTER OF COMMERCE AND TOURISM (SHRI ARUN KUMAR NEHRU) : (a) to (f) Information is being collected and will be laid on the table of the House.